



April 8, 2025

Minnesota House Health and Human Services Committee  
Attention: Nick Stumo-Langer

sent via email

**Re: Objections to portions of HF 1434**

Dear

I am writing to express our strong objections to the portion of HF 2434 regarding recovery residence certification and related matters. NARR has developed the national recovery housing standards referenced in the bill, and we have also developed a model for regulatory oversight and support for recovery residences that is the most widely-adopted regulatory framework in the country, currently in place in 20 states. We also assisted our local affiliate organization, the Minnesota Association of Sober Homes (MASH) two stand-alone bills currently before your legislature – SF 3060 and HF 3112.

The primary feature of our regulatory framework is voluntary certification, with significant incentives for providers to become and remain certified. The framework is voluntary due to the protections afforded disabled individuals under the federal Fair Housing Act and the Americans With Disabilities Act. Under federal law it is impermissible to impose conditions on households of disabled people that are not also imposed on ordinary families occupying similar dwellings. This protection applies to individuals in recovery from substance use disorders in the same way it applies to race, ethnicity, religion and gender. The relevant sections of HF 2434 assert that the program it proposes is voluntary, but most of the requirements for certification are mandatory after January 1, 2027 for any residence in the state meeting the ‘recovery residence’ definition. It is the functional equivalent of mandatory certification, and will be interpreted as such by the federal courts. By contrast, SF 3060 preserves true voluntary certification and builds in clear protections for recovery residences under fair housing law—ensuring no person is denied housing based on their disability or the type of support they require.

HF 2434 specifies that certification is to be conducted according to the NARR Standard. That is consistent with best practices nationally, but this requirement can’t be implemented as worded in the text. NARR certification may only be conveyed by a Minnesota-based nonprofit organization having a formal affiliate relationship with NARR technically capable of implementing the complete certification process. A state agency can no more confer actual NARR certification than it can confer CARF or Joint Commission certification on licensed residential treatment

programs. Use of our standard otherwise would constitute an infringement of NARR's intellectual property. Had the Department consulted with us or with MASH, we could have helped them avoid this shortcoming. SF 3060 addresses this issue correctly, by designating our Minnesota affiliate organization as the certifying body, under the oversight of DHS.

SF 2434 has other deficiencies as well. It provides no protection against local government action regarding zoning, fire safety, occupancy rules, etc. that may be illegal under both federal and Minnesota fair housing laws.

The bill creates an enormous loophole by which recovery residences may avoid the requirements of this law, and ironically leaves an entire category of recovery residences without access to certification. This results from a mismatch between the definition of 'recovery residence' not aligning cleanly with the two limited classes of certification defined in the text. This is a particularly egregious error because the omitted service category exists for residents with higher levels of need than the two defined in the text.

Despite numerous cases of treatment-based fraud in which recovery housing played a part, these two bills do nothing to address financial fraud and other abusive practices including kickbacks and patient brokering that have been common there and in other states, related to both Medicaid and private insurance. In fact, our framework has been in place in Florida since 2016, where it is credited as a major factor in reducing insurance-related fraud that was rife there.

Management of certification by DHS will be much more costly to either taxpayers, service providers or both, than costs under HF 2434. We are particularly concerned that HF 2434 would decrease, rather than expand, access to recovery housing. Many small and community-based providers may be unable to meet the proposed certification requirements or navigate DHS's government-heavy processes, especially with no clear funding mechanism. A one-size-fits-all model risks closing essential homes that serve rural, culturally specific, and underserved populations. From what we have heard from in-state sources it is far from clear that DHS has the appropriate orientation and experience to administer a program. It lacks the operational expertise, technical structure, and access to NARR's nationwide knowledge base, to administer a certification system based on peer-led recovery housing.

HF 2434 provides for a sporadically updated official registry of certified residences. The system implemented under SF 3060 would feature a registry updated in real time. NARR requirements for our affiliates such as MASH also ensure that a great deal of useful information for consumers will be available online.

Not only will HF 2434 be more costly than SF 3060, it will also provide inferior system support. It defines the services to be provided by DHS as certification and response to complaints. SF3060 also includes technical assistance to providers, and for operator and staff training. These

are all essential elements of a successful recovery residence support system. The bill contains no provisions for capacity assessments and capacity expansion, despite widespread agreement that Minnesota has far too little recovery residence capacity.

Minnesota has an opportunity to lead the nation by supporting high-quality, peer-led recovery housing grounded in national best practices. Unfortunately, HF 2434—despite its intentions—would reverse progress, disrupt housing access, and create legal and ethical risks for the state.

We urge legislators to adopt SF 3060, which is fully aligned with NARR’s nationally recognized standards and provides a fair, effective, and sustainable path to recovery housing excellence in Minnesota.

Thank you for your time and consideration. We welcome continued collaboration to ensure all Minnesotans have access to safe, supportive, and accountable recovery housing.

Respectfully,

A handwritten signature in black ink, appearing to read "David M. Sheridan", with a long horizontal flourish extending to the right.

David Sheridan

Executive Director